



Decision

Matter of: Standard Register Company

File: B-260426

Date: June 16, 1995

Anthony W. Hawks, Esq., Furr & Brownell, for the protester.
Frederic G. Antoun, Jr., Esq., for Professional Printing of
Kansas, Inc., an interested party.
Kerry L. Miller, Esq., Government Printing Office, for the
agency.
Katherine I. Riback, Esq., and Paul Lieberman, Esq., Office
of the General Counsel, GAO, participated in the preparation
of the decision.

DIGEST

Agency determination to permit bidder to correct a mistake
in its low bid prior to award was proper where the agency
reasonably determined that clear and convincing evidence
established the existence of mistake, the intended bid price
can be ascertained within a narrow range of uncertainty, and
the bid remains low as corrected.

DECISION

Standard Register Company protests the award of a contract
to Professional Printing of Kansas, Inc. under invitation
for bids (IFB) No. 385-277, issued by the Government
Printing Office (GPO), for mailing labels. Standard
contends that the agency improperly permitted Professional
to correct a mistake in its low bid.

We deny the protest.

The IFB sought 120,000,000 mailing labels. In addition,
offerors were required to provide a price for each
additional set of 1,000 mailing labels (total not to exceed
25,000) ordered under this contract. The IFB provided that
the price for the additional quantities would not be a
factor in determining award. Seven bids were received in
response to the IFB by the January 24, 1995, bid opening
date. Professional submitted the low bid of \$2,008,939, and
Standard Register submitted the next low bid of \$2,580,000.

The day after bid opening, Professional notified the contracting officer that its bid contained an error. The next day Professional followed up by sending a request for correction to the contracting officer, which included an affidavit by the president of the company explaining how the mistake occurred and the original bid workpapers.

Based on this submission, the GPO determined that Professional had provided clear and convincing evidence of the mistake and of its intended bid. Accordingly, the agency allowed Professional to correct its price by \$285,617, for a corrected bid of \$2,294,556. Standard timely protested to the contracting agency that the bid correction was improper. The agency denied the agency-level protest, and Standard filed this protest with our Office. In its protest to our Office, Standard now concedes that it is clear a mistake was made in the preparation of Professional's bid. Standard contends, however, that one small aspect affecting the amount of Professional's intended bid remains questionable. Specifically, Standard argues that Professional's exact intended bid price with regard to the additional sets of 1,000 labels, not to exceed 25,000, cannot be determined.

GPO, as a legislative branch agency, is not subject to the Federal Acquisition Regulation (FAR) but follows its own Printing Procurement Regulations in conducting its procurements. See Custom Printing Co., 67 Comp. Gen. 363 (1988), 88-1 CPD ¶ 318. However, the GPO provisions which govern the correction of pre-award mistakes are virtually identical to the FAR rules. The GPO regulations generally provide that the contracting officer may grant a bidder's pre-award request to correct a mistaken bid where "clear and convincing evidence establishes both the existence of the mistake and the bid actually intended." See Printing Procurement Regulation, GPO Publication 305.3 (Rev. 11-92), Chapter XI, section 6(3).

We treat the question of whether the evidence of the mistake and the bid intended meets the clear and convincing standard as a question of fact, and we will not question an agency's decision in this regard unless it lacks a reasonable basis. Gunco, Inc., B-238910, July 17, 1990, 90-2 CPD ¶ 46. Workpapers may constitute clear and convincing evidence if

¹Professional's error consisted of a mathematical mistake in the calculation of the cost of the backing sheet, upon which the pressure sensitive labels are mounted. Professional used the wrong multiplier to arrive at the lineal length of the roll in inches.

they show the existence of a mistake and the intended bid, are in good order, and are not contradicted by other evidence. Interstate Constr., Inc., B-248355, Aug. 6, 1992, 92-2 CPD ¶ 85.

We have no basis to question the GPO's decision to allow Professional to correct its bid under the circumstances present here.

As noted above, Standard concedes that Professional made a mistake in preparing its bid due to an incorrect calculation regarding the cost of the backing sheets. Standard now argues that Professional's intended bid price, only with regard to the price of the sets of additional 1,000 labels, not to exceed 25,000, cannot be exactly determined. Standard contends that Professional's original bid utilized its original bid price for required 120,000,000 mailing labels, discounted by 1 percent, to arrive at the \$16.56 price for each additional set of 1,000 labels,² but that Professional's corrected bid used its gross corrected bid price, without taking the 1-percent discount, to compute a rate of \$19.10 for each additional set of 1,000 labels. In addition, Standard notes that if the price for the additional quantities was calculated as it was in the original bid, by using the net corrected bid after the 1-percent discount is applied, then the rate for each additional set of 1,000 labels would be \$18.93.

Whether or not Professional's rate for the additional quantities was calculated using the 1-percent discount does not affect our conclusion that allowing the correction was proper. Professional's price for the additional labels, (the price of which was not a factor in the award determination) at the maximum quantity of 25,000, falls within the extremely narrow price range of \$473 to \$478, depending on whether the cost of the additional sets was computed using the corrected bid price with or without the 1-percent discount. Because Professional would still be the low bidder under any scenario for pricing the additional quantities, the contracting officer properly allowed Professional to correct its bid. Where there is clear and

²Professional's calculation is slightly inexact, \$1,988,849 divided by 120,000 equals \$16.57, not \$16.56.

³Standard also points out that the rate per additional sets of 1,000, calculated on the basis of Professional's pre-discounted corrected bid price is \$19.12, not \$19.10.

⁴ $\frac{\$2,271,610}{120,000} = \18.93

convincing evidence that the intended bid falls within a narrow range of uncertainty and would remain low under any interpretation, correction is proper. McInnis Bros. Constr., Inc., B-251138, Mar. 1, 1993, 93-1 CPD ¶ 186.

The protest is denied.

\s\ Michael R. Golden
for Robert P. Murphy
General Counsel